Consumers face an intertemporal trade-off when choosing a contract period of a periodically offered product or service - a short contract period gives consumers the flexibility to switch plans or providers while a long one provides a price discount. To understand how consumers will discount future continuous benefits and its impact on their willingness-to-pay for contract periods is important especially for firms offering a product or service with periodic (monthly, yearly or seasonal) contractual pricing plans. In this paper, we characterize empirically individuals' discounting behavior of future continuous benefits which they receive from periodic use or access to a product or service. We show that individuals' discounting of future benefits is heavily biased towards the present. In particular, the rate at which future benefits are discounted decreases as the contract period gets longer. But after a certain length of contract duration, there is a structural break and discount rates increase. Our results show that these systematic discontinuities in consumer's discounting behavior are largely attributable to the interplay of contract length, price discounts and consumers' valuation of flexibility. Using a novel incentive-compatible experimental setting, we show that the empirical pattern of individuals' discounting of future continuous utility is robust even when consumers receive a monetary incentive to discount future benefits without any time inconsistency